LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on TUESDAY, MAY 21, 2002, upon the application of MCRAE EXPLORATION & PRODUCTION, INC.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **10,900' Sand, Reservoir C,** in the Kings Ridge Field, Lafourche Parish, Louisiana.

- 1. To establish rules and regulations governing the exploration for and production of gas and condensate from the 10,900' Sand, Reservoir C.
- 2. To create a single drilling and production unit for the exploration for and production of gas and condensate.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
- 4. To designate a unit operator and a unit well for the unit so created.
- 5. To provide that any future replacement or alternate unit wells drilled to the 10,900' Sand, Reservoir C, should be exempt from the spacing provisions of Statewide Order No. 29-E.
- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 7. To consider such other matters as may be pertinent.

The 10,900' Sand, in the Kings Ridge Field, Lafourche Parish, Louisiana, is hereby defined as being that gas and condensate bearing sand encountered between the depths of 10,944' and 11,148' (ELM) in the McRae - Robert E Bauer Jr No.1 Well, located in Section 17, Township 19 South, Range 23 East.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana or may be found at the following site: www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

- 7 -<u>KINGS RIDGE FIELD</u> 02-269

All parties having interest therein shall take notice thereof.

BY ORDER OF:

FELIX J. BOUDREAUX COMMISSIONER OF CONSERVATION

Baton Rouge, La 4/17/02;4/20/02 L dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION ATP. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.